

Decision No: 69173  
Docket No: W-01303A-05-0280  
WS-01303A-02-0867  
WS-01303A-02-0869  
WS-01303A-02-0870

ORIGINAL



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**January 11, 2007**

**Compliance Item:**

Decision No. 69173 dated December 5, 2006 in WS-01303A-05-0280 et al states, "IT IS FURTHER ORDERED that Arizona-American shall notify its customers of the arsenic cost recovery surcharge tariff approved herein within 30 days of the effective date of this Decision."

**Response:**

Attached is the self-mailer mailed December 14, 2006 to each customer in the Sun City West Water District along with the postage statement confirming the entire mailing.

Arizona Corporation Commission  
**DOCKETED**

JAN 12 2007

DOCKETED BY	NR
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AZ CORP COMMISSION  
DOCUMENT CONTROL

2007 JAN 12 P 4:46

RECEIVED

**NOTICE OF A WATER RATE INCREASE TO SUN CITY WEST WATER  
CUSTOMERS OF ARIZONA AMERICAN WATER COMPANY (AAWC):**

YOU WERE ADVISED IN A PREVIOUS NOTICE THAT AAWC HAD FILED A REQUEST WITH THE ARIZONA CORPORATION COMMISSION (ACC) FOR IMPLEMENTATION OF AN ARSENIC COST RECOVERY SURCHARGE REFLECTING THE COST OF REQUIRED WATER TREATMENT FACILITIES TO MEET NEW FEDERAL STANDARDS. THE ACC AUTHORIZED THIS SURCHARGE TO BECOME EFFECTIVE WITH YOUR DECEMBER 2006 BILLING. IT IS ESTIMATED THAT THIS SURCHARGE WILL INCREASE THE AVERAGE RESIDENTIAL CUSTOMER BILL BY \$8.31 A MONTH (BASED ON USAGE OF JUST OVER 10,000 GALLONS PER MONTH).

YOUR WATER BILL WILL REFLECT A NEW BASE SURCHARGE OF AT LEAST \$3.70 PER METER DEPENDING ON THE SIZE OF YOUR WATER METER AND A NEW WATER VOLUME FEE OF \$0.4592 FOR EVERY 1,0000 GALLONS.

THE COMPANY ANTICIPATES THE ARSENIC COST RECOVERY SURCHARGE WILL END AT THE CONCLUSION OF THE NEXT RATE CASE. THE NEXT RATE CASE WILL AGAIN EXAMINE THE REASONABLENESS OF COSTS FOR NEW WATER TREATMENT FACILITIES IN DETERMINING NEW PERMANENT WATER RATES. THE COMPANY IS REQUIRED TO FILE A NEW RATE CASE BY MAY 31, 2008.



AW-AZ-805

United States Postal Service  
Postage Statement — First-Class Mail & Priority Mail

Use this form for either First-Class Mail or Priority Mail.  
They may not be combined.

MAILER	Permit Holder's Name and Address and Email Address, If Any Taylor Direct 751 Pike Springs Road Phoenixville PA 19460		Telephone (610)-933-7400 Extension		Name and Address of Mailing Agent (If other than permit holder) Dir Impact - Sun City		Telephone ( ) - - Extension		Name and Address of Individual or Organization for Which Mailing is Prepared (If other than permit holder) Arizona American Water 15626 N. Del Webb Blvd. Sun City AZ 85351	
	CAPS Cust Ref No. _____ Dun & Bradstreet No. _____				Dun & Bradstreet No. _____				Dun & Bradstreet No. _____	
MAILING	Post Office of Mailing Royersford, PA 19468		Processing Category <input checked="" type="checkbox"/> Letters <input type="checkbox"/> Flats <input type="checkbox"/> Automation Flats (DMM 301.3) <input type="checkbox"/> Parcels		Mailing Date 12/14/2006		Fed. Agency Cost Code		Statement Seq. No. DIRECT	
	Type of Postage <input checked="" type="checkbox"/> Permit Imprint <input type="checkbox"/> Precanceled Stamps <input type="checkbox"/> Metered				Weight of a Single Piece 0.0094 pounds		Total Pieces 15,383		No. & Type of Containers 1' MM Trays 5 2' MM Trays 15 2' EMM Trays Total Trays 20	
	Permit # 539		For Mail Enclosed Within Another Class <input type="checkbox"/> Standard Mail <input type="checkbox"/> Bound Printed Matter <input type="checkbox"/> Library Mail <input type="checkbox"/> Media Mail <input type="checkbox"/> Parcel Post				Total Weight 144.6002		Flat Trays Sacks Pallets	
	For Automation Rate Pieces, Enter Date of Address Matching and Coding (DMM 708.3.3) 12/12/2006		For Automation Carrier Route Rate Pieces, Enter Date of Address Matching and Coding (DMM 708.3.3) 12/12/2006							

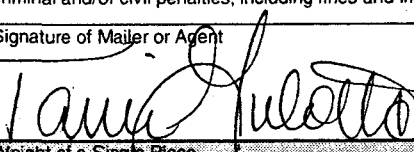
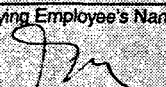
POSTAGE	Parts Completed (Select all that apply) <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> S	
	<b>Total Postage (Add Parts Totals)</b> 4,579.86	
	Rate at Which Postage Affixed (Check one) (DMM 234, 334, 434) <input type="checkbox"/> Correct <input type="checkbox"/> Lowest <input type="checkbox"/> Neither pcs. x \$ = <b>Postage Affixed</b>	
	<b>Net Postage Due (Subtract postage affixed from total postage)</b>	
	For USPS Use Only; Additional Postage Payment (State reason)	
CERTIFICATION	For postage affixed add additional payment to net postage due; for permit imprint add additional payment to total postage.	
	<b>Total Adjusted Postage Affixed</b>	
	Permit Imprint Only - Check One <input type="checkbox"/> AIC 121 (First-Class Mail) PM: Report Total Postage in AIC: <input type="checkbox"/> AIC 237 (Priority Mail)	
<b>Total Adjusted Postage Permit Imprint</b>		

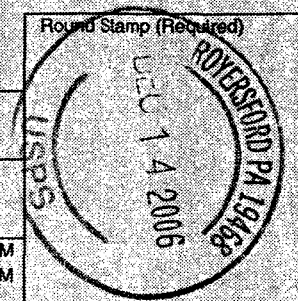
The mailer's signature certifies acceptance of liability for and agreement to pay any revenue deficiencies assessed on this mailing, subject to appeal. If an agent signs this form, the agent certifies that he or she is authorized to sign on behalf of the mailer, and that the mailer is bound by the certification and agrees to pay any deficiencies. In addition, agents may be liable for any deficiencies resulting from matters within their responsibility, knowledge, or control.

The mailer hereby certifies that all information furnished on this form is accurate, truthful, and complete; that the mail and the supporting documentation comply with all postal standards and that the mailing qualifies for the rates and fees claimed; and that the mailing does not contain any matter prohibited by law or postal regulation.

I understand that anyone who furnishes false or misleading information on this form or who omits information requested on this form may be subject to criminal and/or civil penalties, including fines and imprisonment.

Privacy Notice: For information regarding our Privacy Policy visit [www.usps.com](http://www.usps.com).

Signature of Mailer or Agent 		Printed Name of Mailer or Agent Signing Form		Telephone Extension	
Weight of a Single Piece _____ pound		Are postage figures at left adjusted from mailer's entries? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" state reason:			
Total Pieces _____ Total Weight _____					
Total Postage _____					
Check One <input type="checkbox"/> Presort Verification Not Scheduled <input type="checkbox"/> Presort Verification Performed as Scheduled		Date Mailer Notified		Contact	
By (Initials)					
I CERTIFY that this mailing has been inspected concerning: (1) eligibility for postage rates claimed; (2) proper preparation (and presort where required); (3) proper completion of postage statement; and (4) payment of annual fee (if required).					
Verifying Employee's Signature 		Print Verifying Employee's Name		Time AM PM	



**Part A — First-Class Mail****Automation Rates — Letters**

Rate Category	Rate	Number of Pieces		Total	
A1 Carrier Route	0.290	x		= \$	
A2 5-Digit	0.293	x	13,059	= \$	3,826.2870
A3 3-Digit	0.308	x	565	= \$	174.0200
A4 AADC	0.317	x	3	= \$	0.9510
A5 Mixed AADC	0.326	x	1,660	= \$	541.1600
					<b>Part A Total</b>
					\$ 4,542.4180

**Part C — First-Class Mail****Nonautomation Rates — Letters, Flats and Parcels**

Rate Category	Rate	Number of Pieces		Total	
C1 Presorted	0.371	x		= \$	
C2 Single-Piece	0.390	x	96	= \$	37.4400
<i>Nonmachinable Surcharge (For pieces 1 oz. or less; see DMM 233.4.3)</i>					
C3 Presorted	0.058	x		= \$	
C4 Single-Piece	0.130	x		= \$	
<i>From Standard Mail (DMM 243.3.5)</i>					
C5 Single-Piece		x		= \$	
<i>Nonmachinable Surcharge (For pieces 1 oz. or less; see DMM 233.4.3)</i>					
C6 Single-Piece	0.130	x		= \$	
<i>Prepaid Returns (Mailers must be pre-approved to use this category.)</i>					
C7 Single-Piece 1 oz. or less	0.390	x		= \$	
C8 Single-Piece over 1 oz. up to 2 oz.	0.630	x		= \$	
					<b>Part C Total</b>
					\$ 37.4400